

## Request for Decision

<b>Title</b>	<b>Contract Award: Coal Mine Road and Range Road 252 Reconstruction and Surfacing</b>
<b>Proposed Motion</b>	That Council award the contract for the Coal Mine Road and Range Road 252 Reconstruction and Surfacing project to PME Inc. at a contract price of \$4,726,244.50 (excluding GST) and authorize the Chief Administrative Officer to execute the contract.
<b>Administrative Recommendation</b>	Administration recommends that Council award the contract for the Coal Mine Road and Range Road 252 Reconstruction and Surfacing project to PME Inc. as the lowest compliant bidder.
<b>Previous Council / Committee Direction</b>	<u>December 14, 2021 Regular Council Meeting</u> Motion 549/21: That Council approve the proposed 2022 Operating and Capital Budget as amended by motions passed on November 30, 2021.
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>Coal Mine Road: The project limits are from west of Township Road 544 to east of Estate Way Drive (1.8 kilometres). As part of the construction, the intersection of Township Road 544 and Coal Mine Road will be realigned to improve the approach angle and sight lines (0.3 kilometres). The total length for this work is 2.1 kilometres. The work will consist of full reconstruction and surfacing of the road with a new asphalt structure.</li> <li>Range Road 252: The project limits are from Bellerose Drive to Coal Mine Road. The intersection at Bellerose Drive will also be upgraded with a bypass lane and acceleration/deceleration lanes coming off Bellerose Drive onto Range Road 252. This work is 1.0 kilometres in length. This work has the same construction strategy as Coal Mine Road, which consists of full reconstruction and surfacing of the road with a new asphalt structure.</li> </ul> <p><u>External Communication</u></p> <p><b>Tendering</b></p> <ul style="list-style-type: none"> <li>Tenders for the Coal Mine Road and Range Road 252 Reconstruction and Surfacing project were advertised on Alberta Purchasing Connection (APC) starting May 20, 2022. The tender period closed on June 14, 2022.</li> <li>Six (6) compliant bids were received, ranging from \$4,726,244.50 to \$5,723,316.36 (excluding GST).</li> </ul>

- The received tenders were reviewed, and it is recommended that Sturgeon County award the contract for the Coal Mine Road and Range Road 252 Reconstruction and Surfacing project to PME Inc. as the lowest compliant bidder.

**Communications**

- Following the contract award and prior to commencement of construction:
  - Notifications will be mailed to all affected residents.
  - Construction information signs will be installed.

Relevant Policy/Legislation/Practices:

Procurement Policy

- Invitation to Tender is identified as the acceptable method of procurement for construction contracts and other high value procurements.
- Sturgeon County’s standard for communicating competitive procurement opportunities is through the Alberta Purchasing Connection.
- Purchases exceeding \$500,000 shall be ratified at the following Council Meeting.

The Chief Administrative Officer shall be signing authority for all Construction or Capital contracts over \$500,000.

**Implication of Administrative Recommendation**

Strategic Alignment:

**Planned Growth** – The awarding of this contract is consistent with *Reliable and effective infrastructure*.

Two previous road closures into St. Albert have limited pavement connectivity from the west end of the Valley. This project, with a connection via Range Road 252 onto Bellerose Drive, re-establishes paved access for residents.

**Operational Excellence** – The awarding of this contract is consistent with *Quality cost-effective service delivery; asset management and performance measurement*.

Organizational:

- The awarding of this contract will reduce the maintenance requirements of this road segment thereby freeing up additional capacity to maintain Sturgeon County’s service commitment to operational excellence.

Financial:

- To date, \$110,000 has been spent on feasibility, design, and procurement.
- As per the below table, the estimated total cost to complete the Coal Mine Road and Range Road 252 Reconstruction and Surfacing project is \$5,589,079.16. There is currently \$5,684,881 in available funds.

	<p><b>Estimated Costs</b></p> <table> <tr> <td>Construction (Less Site Occ.)</td> <td>\$4,556,244.50</td> </tr> <tr> <td>Contingency (10%)</td> <td>\$455,624.45</td> </tr> <tr> <td>Land Acquisition</td> <td>\$300,000.00</td> </tr> <tr> <td>Estimated Engineering</td> <td>\$277,210.21</td> </tr> <tr> <td><b>Total Funding Requirement</b></td> <td><b>\$5,589,079.16</b></td> </tr> </table> <p><b>Budget</b></p> <table> <tr> <td>Coal Mine/Range Road 252 – 2021 CF Budget</td> <td>\$749,881.00</td> </tr> <tr> <td>Coal Mine Road – 2022 Budget</td> <td>\$2,900,000.00</td> </tr> <tr> <td>Range Road 252 – 2022 Budget</td> <td>\$1,835,000.00</td> </tr> <tr> <td>RQB Hamlet Rehabilitation - Savings</td> <td>\$200,000.00</td> </tr> <tr> <td><b>Total Budget:</b></td> <td><b>\$5,684,881.00</b></td> </tr> </table>	Construction (Less Site Occ.)	\$4,556,244.50	Contingency (10%)	\$455,624.45	Land Acquisition	\$300,000.00	Estimated Engineering	\$277,210.21	<b>Total Funding Requirement</b>	<b>\$5,589,079.16</b>	Coal Mine/Range Road 252 – 2021 CF Budget	\$749,881.00	Coal Mine Road – 2022 Budget	\$2,900,000.00	Range Road 252 – 2022 Budget	\$1,835,000.00	RQB Hamlet Rehabilitation - Savings	\$200,000.00	<b>Total Budget:</b>	<b>\$5,684,881.00</b>
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<b>Alternatives Considered</b>	Council could decide not to award the contract at this time.																				
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment:</u></p> <ul style="list-style-type: none"> <li>• <b>Planned Growth</b> – Not awarding the contract would be inconsistent with this strategic objective.</li> <li>• <b>Operational Excellence</b> – Not awarding the contract would be inconsistent this strategic objective.</li> </ul> <p><u>Organizational:</u></p> <ul style="list-style-type: none"> <li>• By not awarding the contract, Sturgeon County would be required to continue intensive maintenance requiring further resources to maintain an acceptable level of service.</li> </ul> <p><u>Financial:</u></p> <ul style="list-style-type: none"> <li>• Not awarding this contract would only temporarily defer the required capital renewal cost for this asset.</li> </ul>																				
<b>Follow up Action</b>	<ol style="list-style-type: none"> <li>1. Execute the contract with PME Inc. (CAO Office, Q3 2022)</li> <li>2. Mail notification letters out to residents (Transportation &amp; Engineering Services, Q3, 2022)</li> <li>3. Install construction information signage (Transportation &amp; Engineering Services, Q3, 2022).</li> </ol>																				
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>1. Attachment 1: Tender Bid Results</li> <li>2. Attachment 2: Award Recommendation Letter</li> <li>3. Attachment 3: Location Plan</li> </ol>																				
<b>Report Reviewed by:</b>	<p>Gary Mayhew, Director, Transportation &amp; Engineering Services</p> <p>Scott MacDougall, Chief Operating Officer – COO</p> <p>Reegan McCullough, County Commissioner – CAO</p>																				

## Strategic Alignment Checklist

**Vision:** *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

**Guiding Principles:** Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
<b>Planned Growth</b>			
<ul style="list-style-type: none"> <li>Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Modern broadband and digital capabilities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Low cost, minimal red-tape regulations</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Thriving Communities</b>			
<ul style="list-style-type: none"> <li>Beautiful, surprising places with high standards; integrated natural spaces &amp; trail systems; healthy and resilient</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Engaging cultural, historical, and civic amenities; strong community identity and pride</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Environmental Stewardship</b>			
<ul style="list-style-type: none"> <li>Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Sustainable development; partnerships with industry and others to drive emission reductions</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Collaborative Governance</b>			
<ul style="list-style-type: none"> <li>Predictable and stable external relationships; volunteer partnerships</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Meaningful connections with Indigenous communities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Respectful and informed debate; clear and supportive governance processes</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Operational Excellence</b>			
<ul style="list-style-type: none"> <li>Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Future focused thinking to proactively respond to emerging opportunities and challenges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Alternative revenue generation and service delivery models integrated strategic and business planning</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>